

### REMARKS

Reconsideration and withdrawal of the rejection with respect to all of the claims now in the application (i.e., Claims 1, 5-7, 9-12, 16-18, 21, 27, 29 and 31) is respectfully requested in view of the following remarks.

Initially, by this Amendment, Applicant has deleted Claims 2-4,8,13-14,19,23-24,28 and 30. Applicant has also added new Claim 31 which sets forth that the reward comprises a credit, cash or prize. Moreover, the claims have been extensively narrowed to overcome the prior art rejections. The claims are now limited to four independent claims, namely Claims 1, 17, 21 and 27.

In regard to the §112 rejections concerning the language "non-targeted advertising," Applicant has deleted the term "non-targeted" from the claims and, therefore, Applicant respectfully submits that the rejection is now moot.

In response to the §103 rejection of the claims as being unpatentable over Goldhaber in view of Haitzuka, et al., it is respectfully submitted that it is not obvious to combine these references to arrive at the claims as now amended for the reasons set forth below.

Goldhaber is directed to a different objective from that of the Applicant's claimed invention, as now amended. Since the earlier reference to non targeted has been deleted, and further limitations have been introduced in to the claims, the Applicant respectfully submits that this distinguishes the invention from the cited art.

The invention in Goldhaber is directed to targeted specific demographic of consumer advertising directed to a select identified group of consumers whose profiles are known by the advertiser as being from a particular demographic of consumer. The system disclosed in Goldhaber requires a network which routes digital information between plural computers. The plural computers are connected to a digital computer network, forming a specific network of user computers each plural computer having at least one user. The network includes at least one attention broker, at least one computer associated with at least one provider of negatively priced information, and at least one computer associated with at least one provider of positively priced information. This is a sophisticated system of linked computers in which the users are from a targeted group, so that any pair of the personal computers and information provider computers may communicate without the communication passing through any of the other personal and information provider computers.

In Goldhaber, users are supplied with specific consumer information on pricing of products such that the provider of negatively priced information sponsors user purchases of positively priced information. The user is compensated for accepting the negatively priced information following which the user is provided with a choice of positively priced information on a purchase by operating a user input device ultimately benefitting the provider.

Unlike the Applicant's process, in Goldhaber, the provider is ultimately rewarded rather than the participant user or consumer as the negatively priced advertising is a

'gift' contingent upon the receiver viewing a targeted ad. The target consumer in Goldhaber is intended as a potential or actual purchaser of the provider's goods or services. In the Applicant's invention, now claimed, there is no linked network in the sense that the Goldhaber participants are known by the host or that the participants are part of some target group for an advertiser. In the Applicant's system, the classes of users are anonymous and random in that no group is targeted as in Goldhaber. Instead, Goldhaber is addressing the problem where advertising goes largely misdirected such as to the wrong or an inappropriate target group by setting up a network in which the broker is linked to a specific group of users. The system is designed for consumer purchasing once the purchaser views the providers products.

Goldhaber is the opposite to random advertising. The approach provided by the Goldhaber invention is based on gaining the attention of a consumer, stimulating interest of the consumer in the advertisement, sponsoring the target consumer and providing the consumer with a paid incentive to watch the advertising or purchase the product.

Furthermore, Goldhaber is directed to advertising content whereas the Applicant's invention has no relation to advertising content, rather to the capacity of the participant to gain a reward or benefit for viewing advertising in an entirely random, time based and non targeted fashion and without having to download specific software for the purpose. It does not specifically require an advertiser to reward viewing of a particular advertisement but it is directed to a time based random reward

and benefit system for an anonymous participant viewing randomly distributed advertising.

There are features in common between the Goldhaber system and that of the Applicant. For instance, the Applicant's system according to one embodiment, contemplates use of a computer as a consumer station. There is also in each case an information provider which delivers said electronic data or images to a consumer station. There is also viewing of advertising by a participant engaged in an activity in which the participant receives electronic data and/or images; a host having a website with which said consumer station communicates and interacts (Fig. 1, 106, col. 9 lines 39- 41), and an advertising provider in communication with said host (Fig. 1, 106, col. 9 lines 66- 67).

The Applicant's invention as claimed in the amended claims includes the following features which are absent from the Goldhaber system:

1. advertisements are delivered randomly from the advertising provider via the host to the consumer station;
2. there is a random invitation from the host;
3. the participant at the consumer station views said advertising material without any downloading or installation of software into the consumer station from the host;
4. the consumer receives advertising material by responding to a random invitation to the consumer from the host;

5. viewer software enabling the consumer to view advertising, is browser driven such that said software is embedded into the viewer software and wherein said viewer software does not remain at the consumer station at the termination of viewing advertisements;

6. the random invitation appears as an icon or alarm at the consumer station;

7. there is a predetermined idleness criteria such that in the event the consumer station fails to respond to the random invitation within a predetermined period, and

8. the invitation will cancel itself and reappear randomly at a later time at the consumer station allowing the consumer another opportunity to elect whether to view advertising material while on line.

Goldhaber does not have the above combination of features set out in the revised claims. Furthermore, Goldhaber allows advertisers to compete for the attention of a particular consumer or identified group of consumers. When selecting ads for viewing, the consumer is given the chance to express a preference for certain kinds of ad content.

In the Applicant's process, rather than providing a means for a consumer to select specific advertising, the consumer can opt in for reward and opt out for no reward once the consumer receives an invitation to view advertising. Thus, the Applicant's process is directed to random unsolicited, time based advertising but

allowing a participant to view such advertising for reward, benefit, credit, cash, prizes or the like. The reward or benefit has wide scope and includes the ability of the consumer to continue to view information once viewing of the advertisement is completed.

In Goldhaber there is an element of interactivity designed into the ads provided, that requires the consumer to provide a response or otherwise interact with the advertisement. In the Applicant's process the advertiser will not necessarily know whether the participant viewer actually views the advertisements but someone whether the host or advertiser is likely to know when the participant is not viewing ads by failure to click on the icon invitation.

The present invention does not require the consumer to download special enabling software to view the advertising for reward. This feature is essential to the working of the invention. Not having to download software reduces consumer time spent.

Although there is a reference at Fig. 3, 60, col. 10, lines 53-57 in Goldhaber to a reward, when the invention as now claimed is taken as a combination, including the randomness of the interaction with any non targeted consumer and the absence of the need for any software download to view the advertising, it is submitted that the invention claimed by the Applicant is non obvious to a person skilled in the art.

Additionally, in regard to Haitsuka, it recognizes that a user of an online service typically accesses the service using specialized communication software (i.e., client

application or client software) that establishes and manages a connection from the user's computer (or client) to the online service provider's host computers (or servers) and facilitates the user's interactions with the service.

In addition, Haitsuka teaches that in managing a connection, there is provided software to display pages or screens relating to retrieved content according to views or presentations specific to the online service. This software may be integrated with the user application. Interactions between the user's computer and the online service are facilitated by a variety of software protocols (i.e., communication conventions, rules and structures), including application level protocols, for managing the transfer of data across the network and to the client application on the user's computer.

Haitsuka acknowledges that some online service providers have derived revenue by displaying advertisements for third parties to users. For example, when a user accesses a web page, an advertisement may be displayed to the user as part of the web page. Advertisements may also be shown to users of some proprietary online services. Typically in such systems, each user accessing a certain screen or site is shown the same advertisement and it is known that systems have the capability to change the advertisement after a certain period of time.

In the Haitsuka system, there is no disclosure of whether the transmission of advertisements from the online service provider to the client application is initiated by the online service provider or the client application, how the online service determines which advertisements to send to the users, and whether such typical client

applications do anything more than open the communications link with the online service and display advertisements.

Haitsuka further recognizes that advertisers find it desirable to target advertisements to relevant potential customers along the lines of Goldhaber. Haitsuka as with Goldhaber is a targeted advertisement system that also can provide information as to the characteristics of those who were exposed to each advertisement, for how long the user was exposed, and at what times. That is a fundamental difference between the cited art and the Applicant's invention in which a consumer not being part of any focus or target group is provided with random advertising without specific activating software being downloaded to view the advertising.

The Office Action indicates that Goldhaber does not explicitly teach an invitation cancelling itself and reappearing randomly at a later time. Haitsuka is said to disclose a predetermined idleness criteria such that in the event the consumer station fails to respond to the random invitation within a predetermined period, the invitation will cancel itself and reappear at a later time at the consumer station allowing the consumer repeated opportunity to elect whether to receive advertising material while online (Fig. 2, col. 12, lines 7-10).

It is respectfully submitted that none of the revised claims taken in combination are obvious to one of ordinary skill in the art at the time of the invention. It is not obvious to combine the teachings of Goldhaber and Haitsuka to arrive at the



combination of new independent claims. Neither citations discloses the advantage of a system which does not require software to be downloaded in addition to the idleness criteria such that in the event the consumer station fails to respond to the random invitation within a predetermined period, the invitation will cancel itself and reappear at a later time at the consumer station.

In the Applicant's invention, unlike in Haitsuka, the user is not required to download viewing software and may view advertising while browsing without interruption to browsing (apart from elected viewing of advertising presented to the viewing site).

Also, offsetting costs against advertisement viewing time in combination with the remaining features of Claim 1, as now amended, is not taught in Goldhaber and Haitsuka alone or in combination. Taken with the other features of Claim 1, as amended, it is submitted that Claim 1 is both novel and non obvious. It is submitted that the primary objections which have been raised by the examiner result from considering individual features in isolation and not considering features in combination.

Neither Haitsuka nor Goldhaber taken alone or in combination teach the combinations of the independent claims as now amended. More specifically, the following claims are not obvious in view of Goldhaber in combination with Haitsuka for the following reasons:

Claim 2 has now been cancelled and incorporated into independent Claim 1. However, the feature of the invitation cancelling itself is not taught by Goldhaber, but

the Office Action asserts that Haitsuka has an idleness criteria, so it would be obvious to combine the teachings of Haitsuka and Goldhaber to arrive at the invention. It is submitted that the new claims include a combination which is non-obvious no matter how each of the citations is applied. Also, it is not clear what motivation one would have and what aspects of Haitsuka would motivate a person skilled in the art to combine the idleness of Haitsuka with Goldhaber.

Regarding, Claim 7, the Office Action acknowledges that the use of a television receiver, web pad or wireless application protocol phone is not disclosed in Goldhaber. It is not understood how the disclosure of a flashing icon in Haitsuka is a basis to find that it would be obvious to use a television receiver, web pad or wireless application protocol phone. Also as web pads were not known as at the priority date, it is not understood how an invention which contemplates their use at the time could be considered obvious.

In regard to Claims 13-14, the objection to these claims rely on a motivation to combine the two citations arguing that the features would be obvious when the citations are combined. It is however, not clear what would be the motivation to combine the citation which has the feature with the other citation to make up the missing features. In Claim 19, the words "at the option" have been removed from the revised claims to overcome the objection based on indefiniteness.

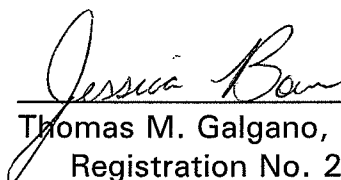
Finally, Applicant hereby requests a five month extension of time in which to respond to the outstanding Office Action. Credit Card payment in the amount of

\$1,580.00 is submitted electronically to cover the official fee for the five month extension of time (\$1,175) and the Request for Continued Examination (\$405). Any fee deficiency or overpayment may be charged or credited to Deposit Account No. 50-3990.

In view of the forgoing, it is respectfully submitted that the present invention as now set forth in Claims 1, 5-7, 9-12, 16-18, 21, 27, 29 and 31 is patentable over the cited art and, therefore, allowance of the aforesaid claims at an early date is earnestly solicited.

Respectfully submitted,

SMITH ET AL.

A handwritten signature in cursive script, appearing to read "Thomas M. Galgano", is written over a horizontal line.

Thomas M. Galgano, Esq.

Registration No. 27,638

Jessica G. Bower, Esq.

Registration No. 64,438

GALGANO & ASSOCIATES, PLLC

Attorneys for Applicant

20 West Park Avenue, Suite 204

Long Beach, New York 11561

Telephone: 516.431.1177

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